

**Public Service Commission
Reclamation Division**

Memorandum

To: Commissioners Fedorchak, Christmann, and Kroshus
Steven Kahl - Executive Director
John Schuh - General Counsel

From: Dean Moos, Zanna Brinkman, and Bill Gunnerson

Date: July 28, 2021

Subject: Application for Revision No. 34 to Permit No. NACT-8503, held by the Coteau Properties Company, Case No. RC-21-110

The Coteau Properties Company filed the application for Revision No. 34 to Permit No. NACT-8503 on March 3, 2021 to delete all 1,831.9715 acres from the permit and transfer all reclamation liabilities on the acreage to Permit No. NACT-1801 for the Freedom Mine. The Reclamation Division has completed its review of the permit revision application and respectfully recommends revision approval.

The application for Permit No. NACT-1801 approved on February 17, 2021 consolidated all 5,272.142 acres of existing Permits NACT-8102, NACT-8203, NACT-8401, NACT-8503, and NACT-8601 at the Freedom Mine. Coal mining is complete in the consolidated permit area. Most of the acreage is in reclamation status but portions of the consolidated permit area contain haul roads, sedimentation ponds, stockpiles, buildings, facilities, utilities, and structures used to support mining in other permit areas. Following Permit No. NACT-1801 approval the Coteau Properties Company filed revision applications for the five consolidated permits to delete the entire acreage from each permit and transfer all reclamation liabilities on the acreage to Permit No. NACT-1801. Figure 1 depicts and labels the acreage for Freedom Mine Permits NACT-8102, NACT-8203, NACT-8401, NACT-8503, and NACT-8601 to be deleted with successive permit revision applications following consolidation into Permit NACT-1801.

Permit No. NACT-8503 will be effectively terminated with the deletion of 1,831.9715 acres; however, the acres affected by mining activities within the permit area remain subject to the applicable mining and reclamation standards and approved plans in Permit No. NACT-1801.

Existing self and collateral bonds that total \$186,000,000 are sufficient to cover the worst case reclamation cost estimate for the consolidated bond area that includes all permits at the Freedom Mine.

Attached are the motion and revision approval form for your consideration at the August 4, 2021 Commission meeting.

Freedom Mine\Permits\NACT-8503\Revisions\Rev. 34\Rev34_Memo_8-4-21

